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1. This case concerns a potential collective action against Defendants Expedia Group, Inc. and Egencia, LLC. (hereinafter referred to as “Defendants”). Defendants misclassify their workers as independent contractors instead of as employees. In particular, Defendants misclassify their customer service representatives, also known as “travel consultants,” as independent contractors instead of as employees and enforced this illegal policy throughout the United States. In doing so, Defendants deny those workers the overtime they are entitled under the Fair Labor Standards Act (“FLSA”).

COMPLAINT - Page 1

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**JURISDICTION AND VENUE**

3. This Court has subject matter jurisdiction over Plaintiff's federal claims pursuant to 28 U.S.C. § 1331 and 29 U.S.C. § 216(b).

4. Defendants are subject to personal jurisdiction in Washington because their headquarters are located in this State and they do business in this judicial district.

5. Venue is proper in this district under 28 U.S.C. § 1391 because a substantial part of the acts or omissions giving rise to the claims in this Complaint took place in this district. In particular, the decision to classify the Plaintiff and proposed Class Members as independent contractors was made in this district. Moreover, personnel files, records, and witnesses are located within this district.

**PARTIES**

6. Plaintiff Laurie Krause is an adult resident of Melbourne, Florida. Her written consent form is attached hereto as Exhibit "A."

7. Defendant Expedia Group, Inc. is a foreign corporation with its headquarters in Bellevue, Washington. Said Defendant can be served with process by serving its registered agent, the National Registered Agents, Inc., at 711 Capitol Way S Suite 204, Olympia, WA, 98501.

8. Defendant Egencia, LLC. is a foreign limited liability company with its headquarters in Bellevue, Washington. Said Defendant can be served with process by serving its registered agent, the National Registered Agents, Inc., at 711 Capitol Way S Suite 204, Olympia, WA, 98501.

9. The "Class Members" are all current and former travel consultants classified as independent contractors at any time from three years prior to the filing of the Complaint to the present.

10. At all times relevant herein, Defendants were joint employers and/or a single enterprise under the FLSA. They share officers and directors. They share the same physical address. They have the same accounting and payroll operations. They share control over hiring, firing, payroll, advertising, and overhead decisions. Further, the companies share the same clients and customers. Moreover, they employ workers to achieve the same business purpose - to provide

1 online travel and hotel booking services. Indeed, Defendant Expedia Group specifically lists  
 2 Defendant Egencia as a company within its “brand.” See <https://www.expediagroup.com/>, last  
 3 visited January 17, 2019).

#### 4 **COVERAGE**

5 11. At all material times, Defendants have been employers within the meaning of 3(d)  
 6 of the FLSA. 29 U.S.C. § 203(d).

7 12. At all material times, Defendants have been enterprises within the meaning of 3(r)  
 8 of the FLSA. 29 U.S.C. § 203(r).

9 13. At all material times, Defendants have been enterprises or enterprises in commerce  
 10 or in the production of goods for commerce within the meaning of 3(s)(1) of the FLSA because  
 11 Defendants have had and continue to have employees engaged in commerce. 29 U.S.C. §  
 12 203(s)(1).

13 14. Furthermore, Defendants have an annual gross business volume of not less than  
 14 \$500,000.

15 15. At all material times, Plaintiff and each of the Class Members were employees who  
 16 engaged in commerce or in the production of goods for commerce as required by 29 USC § 207.

#### 17 **FACTS**

18 16. Defendants operate an online travel management company. Defendants provide  
 19 booking services for businesses and individuals. That is, individuals and business can purchase  
 20 tickets, hotel reservations, and vehicle reservations directly through Defendants’ website and  
 21 customer portal.

22 17. To perform these services, Defendants employ “travel consultants” but classifies  
 23 them as independent contractors.

24 18. The travel consultants work across the country for Defendants.

25 19. Travel consultants communicate with the customers of Defendants and answer  
 26 questions regarding booking reservations. The travel consultants communicate by chat, email,  
 27 inbound phone, and outbound phone.

28 20. The travel consultants work from home.

1           21. They are required to use Defendants' computer software and follow Defendants'  
2 policies and procedures.

3           22. They are required to work a minimum number of hours per week.

4           23. They are told that they must handle at least 4 customer calls per hour with an  
5 average handle time that Defendants establish.

6           24. They are required to undergo a background check by Defendants and must meet  
7 Defendants' required qualifications to get a job.

8           25. Defendants provide training to the travel consultants in how they are to perform  
9 their duties for Defendants.

10          26. Defendants pay the travel consultants a set amount per minute worked.

11          27. The travel consultants regularly work more than 40 hours per week but are not paid  
12 overtime.

13          28. Plaintiff has worked for Defendants since July 2014.

14          29. Plaintiff was classified by Defendants as an independent contractor.

15          30. The Class Members were also classified as independent contractors.

16          31. The Plaintiff and Class Members are not independent contractors, but are  
17 employees.

18          32. The Plaintiff and Class Members were paid based upon the number of minutes  
19 worked for Defendants.

20          33. Plaintiff regularly worked over 40 hours each week.

21          34. However, when she worked more than 40 hours, she was not paid any overtime  
22 wages for those hours worked in excess of 40.

23          35. Like Plaintiff, the Class Members regularly worked more than 40 hours each week  
24 and were not paid overtime for those hours worked in excess of 40 in a workweek.

25          36. Given that they were misclassified as independent contractors, they were denied  
26 overtime pay.

27          37. The Class Members performed similar duties as Plaintiff.

28          38. Class Members worked across the US.

1           39. While working for Defendants, Plaintiff interacted with and became familiar with  
2 the manner in which Defendants classified the Class Members and paid the Class Members.  
3 Therefore, Plaintiff has first-hand, personal knowledge of the same pay violations in Defendants'  
4 operations.

5           40. Defendants paid Plaintiff and the Class Members in the same manner – by the  
6 minute.

7           41. Defendants hired/fired, issued pay, supervised, directed, disciplined, scheduled and  
8 performed all other duties generally associated with that of an employer with regard to Plaintiff  
9 and the Class Members.

10          42. In addition, Defendants instructed Plaintiff and the Class Members about when and  
11 how they were to perform their work.

12          43. Moreover, the following conduct demonstrates that Defendants acted as an  
13 employer with respect to Plaintiff and the Class Members:

- 14           a. Defendants required Plaintiff and the Class Members to begin their work at a set  
15 time;
- 16           b. Defendants paid the Plaintiff and Class Members a non-negotiable rate, like  
17 employees;
- 18           c. Defendants required Plaintiff and the Class Members to request time off in advance  
19 and have that time away from work preapproved;
- 20           d. Defendants set forth the required procedures to be followed and the order and  
21 manner in which Plaintiff and the Class Members were to perform their work;
- 22           e. Plaintiff and the Class Members faced termination if they failed to perform their  
23 work in the manner required by Defendants;
- 24           f. Plaintiff's and the Class Members' services were integrated into Defendants'  
25 operations;
- 26           g. Plaintiff and the Class Members constituted the workforce without which  
27 Defendants could not perform their services;

1 h. Plaintiff and the Class Members worked for Defendants for long periods of time as  
2 is common with employees; and

3 i. Defendants maintained the right to discharge Plaintiff and the Class Members at  
4 any time.

5 44. Furthermore, the degree of investment Plaintiff and the Class Members made to  
6 perform their work pales in comparison to the expenses Defendants incurred. Defendants provided  
7 the computer software and web portal for Plaintiff and the Class Members to do their work.

8 45. Further, Plaintiff and the Class Members performed work that was integral to the  
9 operations of Defendants.

10 46. Moreover, Defendants supervised and controlled the activities of Plaintiff and the  
11 Class Members. Defendants monitored their work, reviewed their work, issued instructions, set  
12 handling times, required a minimum of four calls per hour, and directed the work in the manner  
13 deemed sufficient by Defendants.

14 47. Despite these facts, Defendants improperly classified Plaintiff and the Class  
15 Members as independent contractors and not as employees.

16 48. Defendants misclassified the Plaintiff and Class Members as independent  
17 contractors to avoid their obligations to pay these employees overtime.

18 49. However, at all times, Plaintiff and the Class Members were employees of  
19 Defendants.

20 50. No exemption applies to Plaintiff or the Class Members.

21 51. Defendants' method of paying Plaintiff and the Class Members in violation of the  
22 FLSA was willful and was not based on a good faith and reasonable belief that their conduct  
23 complied with the FLSA. Defendants' misclassification was not by accident, but a well thought  
24 out scheme to reduce their labor costs. Defendants knew the requirement to pay overtime to their  
25 employees, but intentionally and/or recklessly chose not to do so. Accordingly, Defendants'  
26 violations of the FLSA were willful.

27 **COLLECTIVE ACTION ALLEGATIONS**

28 52. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

1           53. Plaintiff has actual knowledge that the Class Members have also been denied  
2 overtime pay for hours worked over forty (40) hours per workweek as a result of Defendants'  
3 misclassification of their employees.

4           54. Plaintiff's knowledge is based on her personal work experience and through  
5 communications with other workers of Defendants.

6           55. Other workers similarly situated to the Plaintiff worked for Defendants throughout  
7 the United States, but were not paid overtime at the rate of one and one-half their regular rate when  
8 those hours exceeded forty (40) hours per workweek because Defendants misclassify them as  
9 independent contractors.

10           56. Although Defendants permitted and/or required the Class Members to work in  
11 excess of forty (40) hours per workweek, Defendants have denied them full compensation for their  
12 hours worked over forty (40).

13           57. Defendants have classified and continue to classify the Class Members as  
14 independent contractors.

15           58. The Class Members perform or have performed the same or similar work as  
16 Plaintiff and were misclassified as independent contractors by Defendants.

17           59. The Class Members are not exempt from receiving overtime pay under the FLSA.

18           60. As such, the Class Members are similar to Plaintiff in terms of relevant job duties,  
19 pay structure, misclassification as independent contractors and/or the denial of overtime pay.

20           61. Defendants' failure to pay overtime compensation at the rate required by the FLSA  
21 results from generally applicable policies or practices, and does not depend on the personal  
22 circumstances of the Class Members.

23           62. The experiences of Plaintiff, with respect to her pay, hours, and duties are typical  
24 of the experiences of Class Members.

25           63. The specific job titles or precise job responsibilities of each Class Member do not  
26 prevent collective treatment.

27           64. All Class Members, irrespective of their particular job requirements, are entitled to  
28 overtime compensation for hours worked in excess of forty (40) during a workweek.





1           72. Plaintiff will seek to certify Count I as a collective action and intends to recover  
2 all back wages, liquidated damages, penalties and prejudgment interest thereon due to Plaintiff and  
3 the other employees he represents.

4                           **JURY DEMAND**

5           73. Plaintiff hereby demands trial by jury on all issues.

6                           **PRAYER**

7           74. For these reasons, Plaintiff prays for:

- 8           a. An order designating the FLSA Class as a collective action and authorizing notice  
9 pursuant to 29 U.S.C. § 216(b) for the FLSA Class Members to permit them join  
10 this action by filing a written notice of consent;
- 11           b. A judgment against Defendants awarding Plaintiff and the FLSA Class Members  
12 all their unpaid overtime compensation, reimbursement of expenses, liquidated  
13 damages, and statutory penalties;
- 14           c. An order awarding attorneys' fees, costs, and expenses;
- 15           d. Pre- and post-judgment interest at the highest applicable rates; and
- 16           e. Such other and further relief as may be necessary and appropriate.

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18  
19                           Respectfully submitted,

20                           By: /s/ Paul Woods  
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27                           LOCAL COUNSEL

1 AND

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4  
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